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FOR A FRAMEWORK CONVENTION ON CLIMATE CHANGE
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Item 2 of the provisional agenda

MATTERS RELATING TO COMMITMENTS

WORKING GROUP I ISSUES: FRAMEWORK FOR THE NINTH SESSION AND PLANNING PRIOR TO THE FIRST SESSION OF THE CONFERENCE OF THE PARTIES (COP 1)

Note by the interim secretariat

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I. INTRODUCTION

1. At the sixth session of the Committee, Working Group I was mandated to assist in the preparations for the first session of the Conference of the Parties (COP 1) on matters relating to commitments, including the following tasks (A/AC.237/24, paras. 44-45):

(a) Methodologies for calculations/inventories of emissions and removals of greenhouse gases (task A.1);

(b) Criteria for joint implementation (task A.2);

(c) First review of the information communicated by each Party included in Annex I to the Convention (task A.3); and

(d) Review of the adequacy of commitments in Article 4, subparagraphs 2 (a) and 2 (b) (task A.4).

Accordingly, Working Group I has structured its work programme around these four tasks. The sixth session also noted that related tasks could be taken up in conjunction with tasks specified for action by COP 1. The Committee further agreed that it should have an accelerated schedule and set priorities for each session (A/AC.237/24, para. 45).

2. A year has passed since the Committee made its initial planning decisions at the sixth session. It is now known when the Convention will enter into force, when communications from Annex I Parties will become due, and when COP 1 and the intervening sessions of the Committee will take place. Moreover, the discussions at the eighth session, as well as the documents prepared for it and for the ninth session, have begun to flesh out the details of the tasks assigned to Working Group I. Thus, at the half-way point between the organizational session of December 1992 and COP 1 of March 1995, the interim secretariat thought it might be an opportune moment to provide its perspective on the programme of work and how the needs of COP 1 might be met.

3. The interim secretariat has made use of a "results-oriented approach" in considering this programme of work prior to COP 1. That is, an effort has been made to identify the outputs that Working Group I might be expected to develop for consideration by the Committee as a whole and for presentation subsequently to COP 1. Proposals are then offered as to how work might be organized in the time remaining before COP 1 in order to achieve the desired results. The constraints imposed by the calendar will be particularly important (see calendar of key dates attached as annex I). In addition to the present note, the interim secretariat has attempted to reflect a similar approach in the documents prepared for the ninth session. Attention is paid, in these documents, to the interrelationships between the tasks and between the documents, to the expected outputs and how a particular document relates to those outputs, and to the timing constraints.

4. In preparing the present note, the interim secretariat has been very conscious of the amount of Committee time available prior to COP 1. For purposes of discussion, one can assume that the following numbers of days could be available to the Working Group to complete the tasks discussed above:

-	Ninth session:	8 working days
-	Tenth session:	7 working days
-	Eleventh session	8 working days
	TOTAL	23 working days

This would mean that, on average, two days per session would be available for each of the four tasks listed in paragraph 1 above. From another perspective, each of the fourteen issues identified below in paragraphs 8 to 10 would, on average, receive barely one half day's attention per session. This serves to highlight the very limited amount of time available in which to address some highly complex issues and the consequent importance of careful planning and scheduling of work as well as the usefulness of identifying and working towards agreed outputs.

5. In view of the above, the purpose of the present note is to provide the Working Group with a proposed programme of work for the ninth session and to situate that programme of work within the broader context of preparations for COP 1. Section II discusses possible final outputs of Working Group I. Sections III, IV and V address the ninth, tenth and eleventh sessions of the Committee respectively.

II. POSSIBLE OUTPUTS FROM WORKING GROUP I

6. A first step in determining a programme of work leading up to COP 1 is to consider the nature of the outputs that the Working Group could be expected to develop before the close of the eleventh session. These outputs will, in accordance with normal procedures, emerge as recommendations from the Working Group to the Committee. For the purposes of this note, the interim secretariat has assumed that the Committee would develop recommendations for consideration by COP 1.

7. Whatever the character of these outputs, it is possible at this stage to identify a number of distinct issues that could be the subject of Committee recommendations. The following listing has been developed on the basis of the Convention, the deliberations of Working Group I to date and the content of the documents prepared for consideration at the ninth session. It is intended to assist the Working Group in planning its schedule and should not be taken to prejudge the outcome of any Committee decisions, for example, on the nature or subject of the outputs.

8. The outputs of the Committee stemming from the work of Working Group I could encompass the following issues (the relevant task numbers agreed to at the sixth session and noted in paragraph 1 above, are included for ease of reference):

(a) Methodologies for inventories (including guidance on the treatment of emissions from bunker fuels) (tasks A.1, A.2 and A.3);

(b) Guidance on the use of global warming potentials (GWPs) (tasks A.1, A.2, A.3 and A.4);

(c) Guidelines on the preparation of communications from Annex I Parties (task A.3);

(d) Guidance on emissions projections and assessing the effects of measures (tasks A.1, A.2 and A.3);

(e) Periodicity of subsequent communications from Annex I Parties (task A.3);

(f) Procedures for the distribution and translation of communications from Annex I Parties (task A.3);

(g) The roles and responsibilities of the subsidiary bodies established by the Convention in relation to Working Group I issues (tasks A.1, A.3, and A.4);

(h) The process by which communications from Annex I Parties will be considered (task A.3);

(i) The process for the review of the adequacy of Article 4.2(a) and (b) (task A.4);

(j) Criteria for joint implementation (task A.2);

(k) The report on implementation of the Convention (task A.3).

9. The Committee must also decide on how the functions of the subsidiary bodies are to be carried out during the period prior to COP 1 (tasks A.3 and A.4).

10. The above list does not include a number of items that could be characterized as being within the purview of the subsidiary bodies but which stem from the deliberations of Working Group I. As such, they are dependent on the decision taken with regard to how the functions of the subsidiary bodies are to be carried out before COP 1. Nonetheless, it is possible to speculate that the following additional outputs, from whatever forum the Committee may decide, would be required by COP 1:

(a) A technical analysis and compilation/synthesis of the communications from Annex I Parties;

(b) A compilation and synthesis of information on the global situation; and

(c) If decided by the Committee, some substantive advice relating to the adequacy of Article 4.2(a) and (b).

11. There is no question that only the COP is able to make final decisions on issues such as those mentioned in the preceding paragraphs. Nevertheless, the task of elaborating a coherent schedule of work to prepare for COP 1 is complicated by the reality that conclusions or decisions, at least of a provisional character, on many of the items mentioned in paragraphs 8 to 10 above, are required prior to COP 1. In particular, the Committee has to provide early guidance on the preparation of national communications, which includes methodologies for inventories, emissions projections and assessing the effects of measures, the use of GWPs, and the distribution and translation of the first communications. In addition, some early conclusions on the process for

the consideration of the communications from Annex I Parties and the process for the review of the adequacy of commitments will be necessary. (As noted above, the Committee will also decide on the institutional arrangements to carry out the functions of the subsidiary bodies prior to COP 1.)

12. In the light of the above, the rest of this note attempts to lay out, for consideration by the Working Group, a proposed schedule of work for the ninth session, including proposed priorities and outputs. It also offers some initial thoughts on possible priorities for, and approaches to, the organization of work at the tenth and eleventh sessions, with a view to identifying the eventual inputs to COP 1. It is important to note that the decision on how the functions of the subsidiary bodies will be carried out prior to COP 1 may have implications for the scheduling of work.

III. THE NINTH SESSION

13. The agenda of Working Group I at the ninth session is very crowded: a total of nine substantive documents have to be considered in one way or another. A purely logical approach to the organization of work might suggest that the documents be considered more or less in the following order:

- Methodological issues (A/AC.237/44)
- GWPs (A/AC.237/44/Add.1)
- Emissions from bunker fuels (A/AC.237/44/Add.2)
- First review of information: guidelines and procedures for first communications (A/AC.237/45)
- First review of information: report on initiative by Annex I countries (A/AC.237/45/Add.1)
- Roles of subsidiary bodies (A/AC.237/46)
- Review of adequacy of commitments (A/AC.237/47)
- Criteria for joint implementation (A/AC.237/49)
- Report on implementation (A/AC.237/48)

14. Additional considerations are, however, relevant. For example, it might be useful to discuss related aspects of different papers together or consecutively. Scheduling will also have to reflect the priorities for the session as well as the desirability, in several instances, of having early discussions in the Working Group to enable informal and corridor consultations to occur prior to finalizing conclusions. In addition, it could be recalled that there was an understanding at the eighth session that, because of its importance and the fact that it had not been considered by the Working Group, the first item of business at the ninth session should be the review of the adequacy of commitments.

15. The interim secretariat would like to propose as priorities for the ninth session those issues requiring a provisional conclusion at the session so that the process for the communication of information can move forward. These would be:

(a) Guidelines for the preparation of first communications by Annex I Parties;

(b) Methodologies for inventories to be used in the first communications;

(c) The use of GWPs in the first communications;

(d) Approaches to the use of emissions projections and assessing the effects of measures in the first communications;

(e) Distribution and translation procedures for the first communications; and

(f) Institutional arrangements to carry out the functions of the subsidiary bodies on an interim basis.

16. Based on the above paragraphs, a proposed schedule of work for the ninth session is attached as annex II. The proposed schedule of work has been developed on the assumption that it will be useful to undertake a first reading of most of the key issues during the first week of the session. Consequently, it is proposed that the discussion of a particular item, if not completed, be adjourned at the end of its allotted time slot. If further discussion on that item is necessary, it could be scheduled during the second week rather than continuing on the following day. This would avoid other agenda items being pushed back until late in the session.

17. The key features of the proposed schedule of work are the following:

(a) The first item of business would be the review of the adequacy of commitments. There is the possibility of returning to the subject in the second week after the other related issues have been discussed;

(b) The issues relating to methodologies for inventories, GWPs and emissions from bunker fuels would be discussed next so that the Working Group may benefit from the presence of the Chairman of the Intergovernmental Panel on Climate Change (IPCC) during the first days of the session;

(c) The guidelines for the preparation of first communications from Annex I Parties and the issue of emissions projections and assessing the effects of measures would be addressed together, followed by consideration of the procedures for translation and distribution of communications;

(d) The functions of the subsidiary bodies and the institutional options to carry these out prior to COP 1 would then be discussed;

(e) The first week would conclude with a discussion of possible criteria for joint implementation;

(f) The second week would see the continuation of discussions from week one, as necessary, the consideration and adoption of conclusions, which will be particularly important for those items noted in paragraph 13 above, and, if time permits, consideration of other items, such as the report on implementation, and priorities and scheduling of work for the tenth and eleventh sessions.

IV. THE TENTH SESSION

18. On the assumption that most of the substantive discussions on methodologies (including inventories, GWPs and emissions from bunker fuels) and guidelines for communications from Annex I Parties (including emissions projections and assessing the effects of measures) will have been provisionally completed at the ninth session, it is proposed that these issues not be addressed at the tenth session. The focus of Working Group I efforts at the tenth session would be on completing preparatory work to enable the functions of the subsidiary bodies to be carried out prior to COP 1 in the manner to be decided by the Committee. Priority would thus be accorded to developing:

(a) Recommendations to COP 1 on the functions, roles and responsibilities of the subsidiary bodies;

(b) Conclusions on the process for the consideration of national communications;

(c) Conclusions on the process for the review of the adequacy of commitments; and

(d) Conclusions on the nature and timing of the first report on implementation.

19. Priority attention would also have to be given to the criteria for joint implementation. Given the time constraints at the eleventh session, it is likely that the tenth session will be the last opportunity before COP 1 to give significant attention to this matter. It will thus be important to make as much progress as possible in developing conclusions and, if possible, preparing draft recommendations to COP 1.

V. THE ELEVENTH SESSION

20. The eleventh session will be the last occasion for Working Group I to complete its work. It will have to share the time and attention available with the tasks of the Committee relating to:

(a) Financial mechanism;

(b) Institutional matters (including the permanent secretariat);

(c) Organizational arrangements for the COP (including elections and arrangements for ministerial participation).

Subject to a decision by the Committee, it is also possible that a significant amount of the time available to the Committee will be dedicated to carrying out the functions of the subsidiary bodies (see paragraph 22 below).

21. Completion of the work of the Working Group might be expected to include the following:

(a) A brief review of the Committee's previous conclusions on the following issues, to take account of new information, for their refinement and confirmation as recommendations to COP:

- Methodologies for inventories (including guidance on the treatment of emissions from bunker fuels)
- Guidance on the use of GWPs
- Guidelines for the preparation of communications from Annex I Parties, including the periodicity of subsequent communications
- Guidance on emissions projections and assessing the effects of measures

(b) The finalization of recommendations to COP 1 on:

- The roles and responsibilities of the subsidiary bodies
- The process for the review of the adequacy of Article 4.2(a) and (b)
- Criteria for joint implementation
- The report on implementation

22. Document A/AC.237/46 considers three institutional options under which the functions of the subsidiary bodies could be carried out prior to COP 1. Whichever of these options the Committee chooses, it is likely to have significant impact on the time available for the operation of the Working Groups at the eleventh session. Of those functions of the subsidiary bodies that might have to be performed in the period prior to COP 1, the following are relevant to the mandate of Working Group I:

(a) The consideration of the communications from Annex I Parties leading to the elaboration of appropriate conclusions and possible recommendations thereon to COP 1. These could be expected to include, in particular, an aggregate assessment of the results achieved with reference to the benchmarks established in the Convention;

(b) The consideration of information on the global situation leading to the elaboration of appropriate conclusions and possible recommendations to COP 1. This could be expected to be relevant to the review of adequacy of commitments; and

(c) Any consideration of the adequacy of Article 4.2(a) and (b), and on possible follow-up, that the Committee may request in preparation for the review of the adequacy of commitments that COP 1 will undertake.

Annex I

CALENDAR OF KEY DATES PRIOR TO COP 1

1994

7-18 February	INC/FCCC, ninth session
21 March	UNFCCC entry into force
11 July	Target date for completion of distribution of documents for INC/FCCC, tenth session
22-31 August	INC/FCCC, tenth session
21 September	Annex I Parties communications due (if country was a Party on 21 March. Other Annex I Parties' communications follow.)
10-12 November	IPCC, tenth session (considers inventory methodologies and special report to INC/FCCC)
19 December	Target date for completion of distribution of documents for INC/FCCC, eleventh session

1995

6-17 February	INC/FCCC, eleventh session
28 February	Target date for completion of distribution of documents for COP 1
28 March- 7 April	COP 1

Annex II

PROPOSED SCHEDULE OF WORK FOR WORKING GROUP 1

		Monday	Tuesday	Wednesday	Thursday	Friday
WEEK 1	AM	Plenary Organization of work	Methodologies . Inventories . GWPs . Bunkers	Review of information . Guidelines . Methodologies - Projections / effects . Procedures	Roles of subsidiary bodies and interim institutional arrangements	Possible criteria for joint implementation
	PM	Review of adequacy of 4.2(a) + (b)	Continued	Continued	Continued	Continued
WEEK 2	AM	Completion of Week 1 discussions	Completion of Week 1 discussions (Report on implementation?)	Informal consultations and adoption of conclusions	Informal consultations and adoption of conclusions	
	PM	Continued	Continued	Continued	Continued	

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MATTERS RELATING TO COMMITMENTS

METHODOLOGICAL ISSUES

Note by the interim secretariat

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I. INTRODUCTION

A. Committee mandate

1. At its eighth session the Committee held a lengthy and productive discussion relating to various methodological issues stemming from the provisions of the Convention. Numerous conclusions were reached, as reported in document A/AC.237/41, paras. 35-45, and the following are particularly salient for the purposes of this note and the discussions at the ninth session:

(a) There was general consensus that the draft methodologies for inventories developed by the Intergovernmental Panel on Climate Change (IPCC), scheduled to be released in December 1993 for international review, would be reviewed by the Committee at its ninth session and recommended for use by Annex I Parties in the preparation of their national communications. The IPCC was also invited to inform the Committee at its ninth session of its plans to move beyond the first generation of inventory methodologies, indicating priorities, time-frame and resource requirements;

(b) The Committee asked its Chairman to consult with the Chairman of the IPCC on the establishment of necessary arrangements to ensure harmonization of the work of the two bodies, including matters relating to a small joint working party;

(c) Also with respect to inventories, the interim secretariat was requested to prepare a paper with suggestions on the scope, development, organization and management of a system for the central collection, management and reporting of data;

(d) Pursuant to discussions on methodologies for calculating the contribution of different gases to climate change, the interim secretariat was requested to prepare a compendium of studies on global warming potentials (GWPs);

(e) On the question of the treatment of emissions from bunker fuels in inventories, the Committee asked the interim secretariat to provide it with policy options for allocation and control;

(f) The Committee highlighted the importance of methodologies to assess the effects, and the effectiveness, of measures undertaken pursuant to the provisions of the Convention. It requested the interim secretariat to prepare, for consideration at the ninth session, a paper on such methodologies.

B. Scope of the note and possible action by the Committee

2. The interim secretariat proposes to address the points raised in paragraph 1 above, in the following ways:

(a) Section II of the present note offers a short status report on inventory methodologies. The Chairman of the IPCC will provide a more detailed report to the ninth session on the work of the IPCC, including on inventory methodologies and plans for future work on inventories. The IPCC Draft Guidelines for National Greenhouse Gas Inventories will be considered by the Committee (see paragraph 6 below for details of document distribution and availability). In accordance with the understanding reached at the eighth session, the Committee

may wish to recommend that Annex I Parties use the Draft Guidelines in the preparation of their first communications. The Committee could return to the consideration of inventory methodologies at the eleventh session at which time final recommendations for the first session of the Conference of the Parties (COP 1) could be agreed;

(b) Further to a joint meeting of members of the Bureaux of the Committee and the IPCC held on 19 November 1993 to discuss matters of common interest, the Chairmen of the Committee and the IPCC will report orally to the Committee on the results of that meeting and on the ensuing arrangements;

(c) The interim secretariat recommends that the question of a system for the central collection, management and reporting of inventory data should be taken up at the tenth session in the context of discussions on the establishment of the permanent secretariat;

(d) Global warming potentials are discussed in document A/AC.237/44/Add.1;

(e) The question of the allocation and control of emissions from bunker fuels is considered in document A/AC.237/44/Add.2;

(f) Matters relating to methodologies for developing projections of emissions and removals and for assessing the effects of measures constitute the focus of the present note. Section III reviews the relevant Convention provisions, reports on work in progress, offers some observations by the interim secretariat and proposes conclusions for consideration by the Committee.

3. Further to subparagraph 2 (f) above, the interim secretariat, in preparing this note, has based its work on several assumptions. These assumptions are, in turn, based on the text of the Convention which, in different articles, refers to "projected ... emissions ... and removals", "a specific estimate of the effects of policies and measures" and the "effectiveness of measures" (see section III A below on Convention provisions). The use of these different terms can lead to questions of interpretation which the interim secretariat has dealt with in the following manner. It is assumed that methodologies will be required for the **projection** of emissions and removals and for **estimating the effects of measures**. Data analysed in accordance with these methodologies will lead to conclusions on projected emissions and the effects of measures. On the basis of these conclusions, Parties will be able to evaluate, or make judgements on, the **effectiveness** of the measures implemented pursuant to the Convention with particular reference to the benchmarks included in Article 4.2(a) and (b).

4. In addition to the information contained in this note, the Committee is expected to benefit from a submission from Annex I countries (see A/AC.237/45/Add.1) which, as reported at the eighth session, have launched a project that includes work on methodologies for the projection of greenhouse gas emissions (see paragraphs 16-19 below). Document A/AC.237/45 on guidelines for the preparation of first communications, document A/AC.237/46 on the roles of the subsidiary bodies and document A/AC.237/Misc.32 containing comments from member States on methodological issues also contain relevant information.

5. On the basis of the information before it, and the resulting discussion, the Committee may wish to consider conclusions relating to methodologies for projecting emissions and assessing the effects of measures. It will be particularly important to provide some guidance to Annex I Parties

on the methodological approaches they should use in preparing their first communications. It would also be useful to identify any further work that should be undertaken, taking into account the efforts of the IPCC and the Annex I countries, and when the Committee would wish to consider the issue again with a view to providing recommendations to COP 1.

II. METHODOLOGIES FOR INVENTORIES: IPCC DRAFT GUIDELINES

6. The IPCC Draft Guidelines for National Greenhouse Gas Inventories include three volumes:

- Vol. I Greenhouse Gas Inventory Reporting Instructions, which provide directions for collating, documenting and transmitting completed national inventory data in a consistent manner.

- Vol. II Greenhouse Gas Inventory Workbook, which contains step-by-step instructions for planning and calculating emissions for the major source and sink categories of the principal greenhouse gases (and their precursors).

- Vol. III Greenhouse Gas Inventory Reference Manual, which contains detailed background information relevant both to the default methodology explained in the workbook and to a wider range of gases and source/sink categories.

The Draft Guidelines will be subject to international review during 1994 after which they will be considered at the IPCC plenary meeting in November 1994. Volumes I and II of the above-mentioned guidelines are expected to be circulated to IPCC national focal points in January 1994 and Volume III shortly thereafter. Delegations to the ninth session of the Committee should seek to obtain information through their national channels. In addition, one copy of Volume I: Greenhouse Gas Inventory Reporting Instructions will be available to each delegation at the ninth session. (This will be available in the six official languages of the United Nations.)

7. The core of the Draft Guidelines is the establishment and use of a standard table format using common source/sink categories and common fuel categories. The Draft Guidelines include documentation standards that should promote transparency and comparability. The guidelines offer a default methodology for the preparation of inventories for certain gases and this would be available to any country wishing to use it. Countries that already have an established and comparable methodology could continue to use that methodology provided that they include sufficient documentation to substantiate the data presented. This will allow for comparison of methodologically diverse national estimates.

8. The process for developing the Draft Guidelines is designed to result in international agreement. The IPCC is making extensive use of workshops and expert groups, involving representatives from developing and developed countries, to ensure this result.

9. The Chairman of the IPCC will provide a report to the ninth session on the inventory methodologies. This may include a written response to the questions posed at the eighth session on proposals for future work on inventories.

III. METHODOLOGIES FOR PROJECTIONS AND ASSESSMENT OF EFFECTS

A. Convention provisions

10. Article 4.2(b) requires each Annex I Party to communicate detailed information on its "resulting projected anthropogenic emissions by sources and removals by sinks" for the period referred to in Article 4.2(a) (that is, to the end of the present decade). In addition, Article 12.2(b) requires that communications from Annex I Parties include "a specific estimate of the effects that the policies and measures [adopted to implement the commitments under Article 4.2(a) and (b)] will have on anthropogenic emissions ... and removals" for the period referred to in Article 4.2(a) (that is, to the end of the present decade).

11. The Convention provides the following guidance on how this information is to be developed. Article 7.2(d) requires the COP to promote and guide the development and periodic refinement of comparable methodologies, to be agreed by the COP, for evaluating the effectiveness of measures to limit emissions and enhance removals. Article 4.2(c) provides additional relevant guidance in directing the COP, at its first session, to consider and agree on methodologies for the calculation of emissions and removals.

B. Work in progress

1. Intergovernmental Panel on Climate Change

12. The IPCC will issue its second assessment report in late 1995. Work in developing the report, as well as the conclusions it contains, will be highly relevant to the development of methodologies to assess the effects of measures and to project emissions.

13. IPCC Working Group II, which deals with climate change impacts and response options, will, according to its terms of reference, address future trends in the net emissions of all greenhouse gases. The Working Group will prepare methodologies for use on national, regional and global scales, including those for assessing the options available to mitigate climate change. The latter will comprise a component assessing the results of such options. Their work on the assessment of mitigation options will include (for each of the selected six sectors) the potential impacts of such measures. The report by Working Group II will also provide a summary description of the methodologies developed by each subgroup for use by countries. Detailed methodologies will be included in an annex.

14. IPCC Working Group III, which deals with cross-cutting economic and other social and equity issues, will, according to its terms of reference, undertake technical assessments of the socio-economics of mitigating climate change, over both the short and long term and at the regional and global levels, considering top-down and bottom-up economic modelling and methods for the generic assessment of response instruments. The potential effects of various policy instruments and the effectiveness of different response options will be assessed. Modelling methods will be described and evaluated. Working Group III is also to consider and develop as necessary a range of internally consistent scenarios for future emissions based on reasonable economic, demographic and technological projections.

15. While some results of this work will be available for the special report to be issued by the IPCC in late 1994, the bulk of the conclusions will be included in the second assessment report, 1995. The amount of information available to the first session of the COP will thus be limited. The Chairman of the IPCC will provide a progress report to the ninth session.

2. Annex I countries

16. In anticipation of the requirement to communicate, in 1994, information on their implementation of the Convention, countries and the organization listed in Annex I launched a project to help them prepare their communications and to develop recommendations for consideration by the Committee. Government experts from Annex I countries oversee and contribute to the project, while the secretariat of the Organisation for Economic Co-operation and Development (OECD), in collaboration with the International Energy Agency (IEA), facilitates the exchange of information and the development of recommendations.

17. One of the long-term objectives of the project is to outline methodological options for the estimation of the projected effects of measures on greenhouse gas emissions. In this context, the project aims to elaborate criteria for complete, comparable and transparent communications. Recommendations will also be developed for:

- Time horizon of projections and estimates of effects
- Content and presentation of projections and estimates of effects
- Treatment of uncertainty
- Presentation of methods and assumptions
- Use of models and approaches
- Special issues relating to the needs of countries with economies in transition

18. The conclusions of the project will be based on an analysis of initial communications, or plans to develop initial communications, by six Annex I countries (Canada, Germany, Hungary, Poland, Switzerland and the United States), while taking account of others submitted to the interim secretariat, and on information relating to the practical experience of these countries in preparing the communications. Project review teams, including national experts from Annex I countries and members of the OECD/IEA secretariat, visited each of the six countries in October and November of 1993.

19. Work on the project began in July 1993. A progress report is expected to be made to the ninth session of the Committee (A/AC.237/45/Add.1) and the final report will be available prior to the tenth session.

C. Observations by the interim secretariat

20. Economic models have been used widely since the 1970s for projecting energy use and estimating the effects of policies and measures on energy use. In recent years, many energy sector models have been adapted to calculate carbon dioxide (CO_2) emissions. These models do not generally include other greenhouse gas emissions, which have to be estimated by other means. It is generally recognized in the energy analysis community that actual energy use seldom matches projections. Nevertheless "scenarios" or "outlooks" are frequently used as a basis for considering the effects of policy and investment decisions. Future energy use, and hence CO_2

emissions, are uncertain because of uncertainty in economic growth, industrial production, commodity prices and technical change, as well as uncertain consumer responses to changes in income, prices and technology and many other factors. The assumptions employed for these factors very much influence the results. While existing models can be used to estimate the effects of regulations and taxes on emissions within an order of magnitude, models are not generally available to estimate the effects of information or education programmes.

21. The national "reports", "strategies" and "plans" transmitted to the interim secretariat to date have taken a variety of approaches. Some have attempted to estimate the effects of some or all measures while others have not. Some have provided emissions projections. This further points to the differences in approaches and capacities between countries.

22. In view of the current state of developments relating to emissions projections and estimation of effects, it is unlikely that COP 1 will be in a position to prescribe the use of comparable models or methodologies. In order to promote comparability, however, some guidance on this matter will be required by Annex I Parties for the preparation of their national communications in 1994. Proposed guidelines in this respect are broached in document A/AC.237/45. The following paragraphs are consistent with the proposals in that document. It is also expected that the report to the ninth session from Annex I countries on their initiative relating to national communications (see A/AC.237/45/Add.1) will include information on projections and the estimation of effects that will be useful to the Committee's deliberations on this matter.

23. Annex I Parties should include in their national communications a projection of future greenhouse gas emissions reflecting the policies and measures included in the communication. They should also provide a specific estimate of the effect on emissions and removals of the total package of policies and measures. The Committee may wish to consider the extent to which more detailed information should be provided (for example, whether estimates should be provided on a sectoral basis or even for individual policies and measures). In developing the required projections and estimates of effects, the Parties should be free to make use of the models, methods and approaches with which they are most familiar and which, in their view, provide the most useful results. For such an approach of building on existing capacities to function effectively, and thereby promote comparability, elements of a common framework will be important, notably common reference years and transparency.

24. Common reference years should be used for emissions projections incorporating the policies and measures included in the national communication. An estimate of the effects of the policies and measures in that reference year should also be provided. The years 1990 and 2000 would appear to be the most appropriate reference years. Data for years prior to 2000 and for years such as 2005 and 2010 could also be provided, if so desired.

25. Transparency will also be of fundamental importance. Sufficient documentation should be provided to allow others to understand calculations and major assumptions used in developing the projections and estimates of effects. Models used should be named and, if appropriate, described. Assumptions should be clearly stated. It would also be important to provide a qualitative assessment of the uncertainty associated with the projection and estimate of effects.

D. Conclusions

26. If the Committee agrees, its conclusions on the issues presented above, and any points raised in the discussion, could be reflected in the provisional guidelines for the preparation of communications by Annex I Parties. The Committee could also identify any further work required, taking account of the ongoing efforts of the IPCC and the initiative of the Annex I countries. The Committee may wish to consider whether the issue of methodologies for projecting emissions and estimating the effects of measures could then be set aside until the eleventh session when recommendations to COP 1 could be adopted. Any significant new information that became available in the meantime would be transmitted to the Committee by the interim secretariat.